VZCZCXRO7908 OO RUEHCHI RUEHDT RUEHHM DE RUEHBK #0524/01 0251018 ZNY CCCCC ZZH O 251018Z JAN 07 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 4355 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBY/AMEMBASSY CANBERRA PRIORITY 6602 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 1652 RUEHGV/USMISSION GENEVA PRIORITY 1763 RHEFDIA/DIA WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 5147 RHEHNSC/NSC WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/USCINCPAC HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BANGKOK 000524

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E.O. 12958: DECL: 01/25/2017 TAGS: PREL PGOV PREF PHUM KDEM ECON ETRD EINV IZ

BM, LA, TH

SUBJECT: FOREIGN MINISTER ON IRAQ, MARTIAL LAW, THAKSIN, ASEAN, HMONG, DRUGS

REF: A. BANGKOK 505 (READOUTS OF SUMMMITS)

1B. BANGKOK 430 (THAKSIN IN SINGAPORE)
1C. BANGKOK 360 (HMONG DEADLOCK)

10. BANGKOK 270 (HMONG DEMARCHE RESPONSE)

1E. BANGKOK 179 (MEETING WITH SURAYUD)

¶F. STATE 3592 (ÌRAQ POLICY) ¶G. 06 BANGKOK 7355 (COMPULSORY LICENSE)

Classified By: Ambassador Ralph L. Boyce, reason: 1.4 (b) and (d).

### SUMMARY

11. (C) The Ambassador provided Foreign Minister Nitya Pibulsonggram with background on the USG's new strategy in In a one-hour January 25 call on Nitya at MFA, he urged the Foreign Minister to ensure the RTG lifts martial law as soon as possible; Nitya said the RTG intended to do so, but the USG had to recognize the situation in Thailand had not returned to normal. Nitya said he was not worried that former Prime Minister Thaksin Shinawatra had hired U.S. public relations and public policy advocacy firms, but he expressed concern about possible perceptions that the RTG treated Singapore unfairly following Thaksin's visit to the city state. Nitya spoke enthusiastically about efforts to draft an ASEAN Charter and assessed the recent ASEAN Summit and East Asia Summit as successful. He said international concern over Burma would best be handled under Chapter VIII of the UN Charter, rather than Chapter VII. The Ambassador, citing reports that the Thai would issue compulsory licenses for several medications produced by Abbott Laboratories and European pharmaceutical firms, urged Nitya to ensure appropriate consultations with the affected companies. Responding to the Ambassador's expression of concern over the fate of certain detained Hmong refugees, Nitya indicated the RTG was being asked to hand the Hmong over to the Lao government in approximately one week; the Lao were preparing a "welcoming ceremony" and insisted that all Hmong in the group of 152 be returned. End Summary.

IRAQ

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12. (SBU) The Ambassador called on Foreign Minister Nitya at MFA on January 25. Noting President Bush's remarks on the war in Iraq during the State of the Union address, the Ambassador drew on ref F to provide Nitya with background on the USG's new strategy in Iraq. Nitya offered no substantive

# MARTIAL LAW

13. (C) The USG remained concerned about the persistence of martial law, the Ambassador said. Although we understood that the cabinet would soon forward to the palace a draft royal command lifting martial law in parts of Thailand, it would be important to return Thailand to the pre-coup status quo ante. The Ambassador showed Nitya maps produced by the Embassy (and e-mailed to EAP/MLS) which indicated the status quo ante and the effect of the draft royal command. Nitya showed a degree of surprise when viewing the extensive terrain that would remain under martial law.

- 14. (C) Nitya assured the Ambassador that the RTG fully intended to lift martial law. The draft royal command's references to certain administrative areas (see ref E on these "nomenclature irregularities") had to be corrected, as any imperfections would lead to the document being returned by the palace for corrections. Even with martial law, Nitya asserted, people were basically free. To illustrate, he said that he himself was "bashed" in the press on a daily basis -- "I'm getting tired of it," he sniffed. Nevertheless, Nitya asked that the Ambassador acknowledge that the situation in Thailand had not returned to normal, as Thaksin was traveling throughout the region and publicly criticizing the government, while within Thailand, "undercurrents" remained. (Arsonists in the Northeast were regularly burning schoolhouses, one of Nitya's senior aides pointed out.)
- $\underline{\mathbf{1}}$ 5. (C) Acknowledging the assurance that the RTG intended to

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restore civil liberties as conditions allowed, the Ambassador nevertheless reminded Nitya that, in November, Prime Minister Surayud had promised President Bush in Hanoi that he would lift martial law upon returning to Bangkok. It was vital to follow through on this commitment.

#### THAKSIN AND SINGAPORE

16. (C) The Ambassador noted local journalists' suspicions that Nitya wanted this meeting in order to press the Ambassador over Thaksin's hiring of U.S. public policy advocate firm Barbour Griffith and Rogers, LLC, as well as public relations firm Edelman. Nitya said Thaksin was paying these firms a "mind-boggling" sum, but he (Nitya) understood well the distinction between the USG and private U.S. firms. Nitya said there was "no onus on you at all," and the MFA would not raise the issue.

- 17. (C) Nitya did express concern, however, about a possible international perception that Thailand had unjustly confronted the Government of Singapore after Thaksin visited that country, met with a government official there, and provided CNN journalist with an interview (ref B). Nitya said it seemed inappropriate for a Singaporean official to meet with Thaksin when, although not indicted, he was implicated in matters currently under investigation. However, Nitya noted parenthetically that his exchanges with Singaporean Foreign Minister Yeo on the matter had been civil and relatively informal.
- 18. (C) The Ambassador said that the Singaporeans clearly had been stung by Thailand's criticism and limited retaliation (ref B). Singapore had a highly capable diplomatic corps, and would defend its reputation. The Ambassador refrained from assessing how western governments might view the Thailand-Singapore spat, despite repeated queries from Nitya.

ASEAN, EAS SUMMIT MEETING, AND BURMA

- 19. (C) The Ambassador requested Nitya's view of the recent ASEAN Summit and East Asia Summit meetings in Cebu (ref A). Nitya characterized the meetings as "very good." He said the EAS had covered a wide range of topics, including health, emergency response, political and security affairs. Much concern had been expressed over nuclearization of the Korean Peninsula. Nitya favored further discussion of how ASEAN could develop a role in future crises.
- 110. (C) Nitya welcomed ASEAN efforts to draft a charter, as the Treaty of Amity and Cooperation in Southeast Asia provided an insufficient basis to guide ASEAN's functioning as an organization. He foresaw the charter's preparation in a year's time, lauding the involvement of eminent figures from the region. The charter would provide a legally binding framework. It would address how ASEAN would make decisions (up to this point, decisions have only been taken by consensus) and establish modalities for dealing with noncompliance. The charter also should provide guidelines for financial support of the organization, with a fair and transparent formula. This may require a two-tier structure, Nitya said, with all member states contributing equally to the secretariat, while member states could base funding for specific projects on the ability to pay. The secretariat might evolve substantially, perhaps along the lines of the UN, with member states providing permanent representatives to ASEAN.
- 111. (C) The Ambassador asked whether international concerns over Burma were influencing ASEAN's approach to its prospective charter. Nitya said that was not the case. Burma seemed willing to listen to Thai concerns. The Thai believed that concerns over Burma could be best handled under Chapter VIII (regional arrangements) of the U.N Charter, rather than Chapter VII (threats to peace). Nitya remarked that he was pleased Indonesia had a seat on the UNSC at this time, as participating in the debate over Burma in that Council would force the GOI to decide aspects of its Burma policy which heretofore had been left vague.

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#### COMPULSORY LICENSES

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112. (C) The Ambassador raised reports that the RTG intended to issue compulsory licenses for certain prescription drugs. (Although the RTG has not announced the targeted drugs, our contacts inform us the three are Abbott Laboratories Kaletra, Sanofi-Aventis' Plavix, and Roche's Saquinavir.) The Ambassador acknowledged that the issuance of compulsory licenses was not contrary to WTO rules, but he urged that the RTG provide the companies affected by such decisions with ample notice and engage them in consultations. Brusque decisions to break pharmaceutical firms' patents could raise questions about the RTG's policy formulation process. Nitya, who appeared out of the loop on this matter, offered no substantive response, simply noting parenthetically that sentiment in the U.S. congress appeared increasingly less favorable toward pharmaceutical firms. (Ref G provides background on the RTG's November 2006 issuance of a compulsory license for a Merck's Efavirenz.)

# HMONG REFUGEES

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- 113. (C) The Ambassador expressed concern for the welfare of 152 Hmong currently in the Thai province of Nong Khai (ref C and D). UNHCR has accorded refugee status to many in the group, and some would face potentially life-threatening problems if deported to Laos. The Ambassador, noting the Thai have never to our knowledge refouled persons with refugee status, urged that the Thai afford similar protection to this group.
- 114. (C) Nitya said the RTG had "around one week" to resolve

this issue. "It will be a bilateral deal," he said. The Lao had promised an "open, festive" welcoming ceremony, at which the Hmong would be "embraced with open arms." Nevertheless, the RTG still had to decide what to do. The Lao had certain views of the modalities -- for example, Nitya said, the GOL wanted all 152 returned as a group. Despite indicating meaningful momentum toward deportation, Nitya promised to "take note of your concern," and he signaled a degree of receptivity to western governments' offers to resettle Hmong from the Nong Khai group.

# COMMENT

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115. (C) Nitya offered nothing new on martial law; we will continue to press the issue with our RTG interlocutors. We appreciate Nitya's understanding that Thaksin's hiring U.S. firms to promote his image or agenda will not necessarily affect USG policy, but we worry that pundits may be less able to draw relevant distinctions. Nitya's comments about ongoing Thai-Lao discussions on the fate of the Nong Khai Hmong raise concerns, but we note that MFA is not the key player on this issue; the NSC has more influence, and NSC Secretary General Prakit Prachonpachanuk recently seemed to

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indicate to the Ambassador that the RTG would not deport the  ${\tt Hmong\ group.}$ 

BOYCE